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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# TRADE AND DEVELOPMENT BOARD

**Thirty-seventh session, first part**

OFFICIAL RECORDS
Supplement No. 6

# Report of the Committee on Commodities

**on its fourteenth session**
**(12-20 November 1990)**

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**New York, 1991**

## NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

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For the recommendations, resolutions, declarations and decisions adopted by the United Nations Conference on Trade and Development, see:

First session—*Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No. 64.II.B.11), pp. 18-65;

Second session—*Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I and Corr.1 and 3 and Add.1 and 2, *Report and Annexes* (United Nations publication, Sales No. E.68.II.D.14), annex I, A, pp. 28-58;

Third session—*Proceedings of the United Nations Conference on Trade and Development, Third Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.73.II.D.4), annex I, A, pp. 53-114;

Fourth session—*Proceedings of the United Nations Conference on Trade and Development, Fourth Session*, vol. I and Corr.1, *Report and Annexes* (United Nations publication, Sales No. E.76.II.D.10), part one, sect. A, pp. 6-43;

Fifth session—*Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A, pp. 6-50;

Sixth session—*Proceedings of the United Nations Conference on Trade and Development, Sixth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A, pp. 6-40;

Seventh session—*Final Act of UNCTAD VII*, adopted by the United Nations Conference on Trade and Development at its seventh session (TD/350 and Corr.1).

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## INTRODUCTION

1. The fourteenth session of the Committee on Commodities was held at the Palais des Nations, Geneva, from 12 to 20 November 1990. In the course of its session, the Committee held six (208th-213th) plenary meetings. The present report contains a summary account of its deliberations.

2. In an opening statement, the incoming Chairman observed that, convening as it did during the preparatory process for UNCTAD VIII, the current session of the Committee was an important landmark in the progress of international concern over commodities. The Committee was also convening on the eve of the conclusion of the Uruguay Round, which was related to the Committee's work. It was to be hoped that the deliberations would lead to a positive outcome in the dilemma over commodities confronting developing countries. In this context, it was encouraging that the Common Fund in Amsterdam was taking steps for its Second Account to become operational.

3. In an introductory statement, the Secretary-General of UNCTAD, recalling that the Trade and Development Board had recently agreed to include commodities as one of the interrelated areas to be addressed by the Conference at its eighth session, said that the fourteenth session of the Committee should be viewed as the first step in the substantive discussions on commodities in the preparatory process for UNCTAD VIII. The Committee was meeting against a background of great uncertainty in the commodity sector, exacerbated in recent times by the Persian Gulf crisis; by continuing slow rates of economic growth, particularly in the industrialized countries constituting the major markets for commodities; by the difficulty of predicting the short- and medium-term implications of the political and economic changes taking place in countries of Eastern Europe; and by the impact of debt constraints on both commodity imports and exports.

4. Many of the concerns that had been voiced in the past remained at the forefront of the commodity problem: prices for many commodities remained low and, in some cases, at their historically lowest levels; and most developing countries continued to experience large shortfalls in their commodity export earnings while only very limited success had been achieved in efforts to diversify their economies. There also remained a tendency towards structural over-supply for many commodities, both tropical and temperate-zone, stemming from policies which were geared to specific national circumstances, including debt-servicing pressures, and which by and large tended to ignore the international market situation. None of those issues could be fully resolved in the context of the Uruguay Round. It was clear that there was a need for greater cohesion between national commodity policies and overall development strategies. Diversification was a key factor in development and could not be made dependent upon an improvement in commodity prices. Experience had shown that it could be highly questionable for many developing countries to rely upon commodities as the sole basis for their development.

5. He pointed to a number of new dimensions to the commodity issue that were increasingly occupying the minds of the international community, including the impact on commodities of environmental issues, of health considerations, and of measures to control the production and sale of illicit drugs; the effects of technological changes on the production and processing of commodities; and the creation of an enabling environment to promote and facilitate the

diversification process, especially in the least developed countries. Proper treatment of those new dimensions would necessitate a detailed analysis of the situation prevailing in respect of all commodities, including fuel.

6. The Committee needed to assess the extent of progress achieved through existing instruments for producer/consumer co-operation and indicate what further action might be envisaged. In this regard he pointed to a number of positive developments that had taken place since the last session of the Committee, including the entry into force of the Agreement establishing the Common Fund for Commodities; the entry into force of the International Natural Rubber Agreement, 1987; the successful renegotiation of the International Agreement on Jute and Jute Products; the negotiation of terms of reference for international study groups on copper and tin; the inaugural meeting of the International Nickel Study Group; the decision by the Trade and Development Board to convene regular intergovernmental expert meetings on iron ore; and the decision taken within the framework of the intensive consultations on individual commodities to convene an ad hoc review meeting on bauxite in the first half of 1991.

7. There nevertheless remained much to be done in the area of producer/consumer co-operation. The process of intensive consultations pursuant to the Final Act of UNCTAD VII appeared to have run out of steam and there was a need for the Committee, in reviewing that process, to take into account the state of producer and producer/consumer co-operation on the commodities in question, including developments in other international forums. Consideration might be given to widening the scope of the consultations to cover other products of importance to developing countries, such as fuel products and fisheries, and to measures that should be taken to revitalize the dialogue on commodities both individually and collectively. In the context of the review of its work programme, the Committee was also called upon to consider the specific action it wished to take pursuant to Board decision 384 (XXXVII) on sustainable development, as well as the implementation of Board decision 379 (S-XVI) on compensatory financing of export earnings shortfalls.

8. It was clear that the commodities problématique was an increasingly live issue and one that inescapably remained on the international agenda. It was also one in which UNCTAD had a specific role to play. The challenges before the Committee had to be taken up and not swept under the carpet. Solutions might be difficult but the problems could clearly not be ignored.

## Chapter I

## REVIEW OF THE COMMODITY SITUATION AND OUTLOOK

(Agenda item 3)

## DIVERSIFICATION, PROCESSING, MARKETING AND DISTRIBUTION INCLUDING TRANSPORTATION

(Agenda item 4)

## REVIEW OF THE WORK PROGRAMME OF THE COMMITTEE WITH PARTICULAR REFERENCE TO THE RESULTS OF INTERGOVERNMENTAL CONSULTATIONS HELD PURSUANT TO THE RELEVANT PARAGRAPHS OF THE FINAL ACT OF UNCTAD VII

(Agenda item 5)

9. The spokesman for the Group of 77 (Egypt) stated that 14 years had passed since the international community had adopted Conference resolution 93 (IV) on the Integrated Programme for Commodities and, in spite of all the efforts made to fulfil its objectives, the terms of trade for commodities continued to deteriorate, and the dependency of the developing countries on the commodity sector for their export earnings remained basically unchanged, although ironically the highly-commodity-dependent developing countries had become even more dependent. In 1988, a year of economic expansion in the developed world, developing countries' aggregate export earnings from all commodities, in real terms and in relation to the values of manufactured exports of the developed countries, were the second lowest over the last 10 years. The commodity dilemma of the developing countries was illustrated by the fact that they had to depend on commodity exports to meet their needs and finance their development, while their export earnings for commodities showed a continued tendency to decrease.

10. The commodity situation was characterized by low prices; instability in prices and earnings; market access difficulties; debt-servicing induced problems affecting both exports and imports; technology considerations affecting supply; amd difficulties hampering diversification efforts. Both cyclical and structural factors had continued to depress world demand for most commodities. Major markets of developed countries were restricted by protectionist policies and measures. Pressing economic problems and debt led to a downward pressure on prices which was aggravated by the decrease in demand in industrialized countries; increased efficiency and technological innovations in commodity production had led to an increase in supply and hence to a decrease in prices; diversification efforts of developing countries were hampered by lack of adequate finance and by the problems of market access, including industry and market structures and the escalation of taxes and other trade barriers.

11. The current situation resulting from the annexation of Kuwait by Iraq, the completion of a single European Market in 1992, the developments in Eastern Europe and the uncertainty about the outcome of the Uruguay Round complicated the commodity situation and made the prospects very uncertain. The Group of 77 emphasized the need for balanced results in the Uruguay Round which should bring about further expansion and liberalization in trade in

commodities, taking into account the need for special and differential treatment for developing countries, as well as their development needs, in compliance with the Punta del Este Declaration. The situation in the least developed countries and in Africa was a cause for serious concern. The report of the United Nations Secretary-General's Expert Group on African Commodity Problems presented a worrying picture. Africa's commodity export earnings in 1988 were significantly lower than in 1980 and 1970 and debt service had become severely problematical. Moreover, the situation of many commodities produced in some of the least developed countries in Africa was being affected by certain environmental changes such as desertification and drought.

12. The Group of 77 emphasized that due attention should be given at the present session to the consideration of the subject of commodity export earnings shortfalls of developing countries and compensatory financing and asked that it should figure as a separate item on the agenda of the next session of the Committee.

13. In the view of the Group of 77, diversification was an essential element in any sound development strategy. It was not an automatic outcome of economic growth but rather a motor for development. While decisions on diversification were primarily the responsibility of developing countries, the successful attainment of that objective necessitated a more favourable external environment, especially the availability of external financing and better access to the markets of developed countries, including the improvement of imperfect market structures and increased access to technology. The Working Party on Diversification, Processing, Marketing and Distribution, including Transportation, had successfully concluded its second and third sessions, and the Group of 77 considered the outcome as a step in the right direction that should be followed by many further steps.

14. The statement of the Secretary-General of UNCTAD and secretariat document TD/B/C.1/311 gave a full account of a number of important developments that had taken place within the framework of UNCTAD regarding producer/consumer co-operation since the thirteenth session of the Committee. The effort was tremendous, but the results were modest. Efforts by UNCTAD could not substitute for active participation and willingness on the part of producers and consumers, nor could those efforts alone correct structural market imbalances. Dialogue and co-operation between producers and consumers should be enhanced through more active participation in, and better use of, producer/consumer forums. Market pressures and limited finance had led to a situation where the International Natural Rubber Agreement was the only international commodity Agreement that still had operational price stabilization mechanisms. The establishment of the Common Fund for Commodities in June 1989 was a long awaited achievement. The Group of 77 called upon countries members of the Fund to contribute to making both accounts of the Fund fully operational as soon as possible, in full compliance with the provisions of the Agreement. His Group expressed its appreciation of the briefing given by the Managing Director of the Fund, and reaffirmed the need for making the financing of the Second Account more accessible for developing countries' commodities which were not likely to be covered by international commodity bodies. His Group also reaffirmed the need for expeditious action to make the First Account operational.

15. The current session of the Committee had the challenging task of preparing for the work of UNCTAD VIII on commodities. UNCTAD VIII should be a landmark and a turning point in international economic relations. It was being convened in a new era of peace and co-operation, where cold war, confrontation and ideological differences were fading away and a new hope for a better future was emerging. The international community's resolve to establish peace and justice, and to guarantee freedom and respect of human rights, should be matched by a parallel resolve to eradicate poverty and to create a new economic order where resources were devoted to development and not to destruction, where no one died of famine, where development was a shared effort and prosperity was for all mankind.

16. While recognizing the new dimensions of the commodity problem, it was important to add to what had been achieved and not start from a vacuum. The objectives of the Integrated Programme for Commodities, as contained in Conference resolution 93 (IV), remained valid, as did all relevant resolutions and decisions reflecting the increasing awareness on the part of the international community of the magnitude and the crucial importance of the commodity problem. The Board, in its resolution 384 (XXXVII), had decided that "the objective of sustainable development, particularly the reduction of poverty, should be incorporated into all areas of UNCTAD's work at the intergovernmental level". The Group of 77 recognized the vital importance of the efforts to protect the environment, but believed that the conception of sustainable development should not constitute a new conditionality limiting the already limited opportunities of the developing countries. Those countries could not be expected to pay the price of the pollution created by the industrialized countries; on the contrary, it was the latter which bore an "ecological debt" towards the former, since the developed countries had the historical responsibility for most of that pollution. Two main areas should be highlighted: environmentally friendly products of developing countries could be substituted for environmentally harmful ones currently in use; and an adequate level of commodity prices, complemented with the correct national and international institutional set-up, could lead to environmentally sounder agricultural and mineral production techniques and improved resource management. The Group of 77 believed that the solution to the problem of commodities of developing countries required that those countries should be enabled to obtain a larger and fairer share of the wealth and prices generated from their primary commodities through a multitude of policies and measures, especially adequate financing, access to technology, diversification and access to markets for processed exports of developing countries.

17. The spokesman for Group B (Germany) stated that since December 1988, the overall economic context in certain developing countries had not changed for the better. In addition to the harsh impact of low prices for some commodities of special interest to some developing countries and the pressure of servicing debt, the lower dollar and the negative impact of the Gulf crisis had recently contributed to making the situation more difficult for many countries. Group B recognized the seriousness of the situation and shared the concerns of its partners in the developing countries. However, there were signs of hope and possibilities for national as well as joint international efforts to improve the economic situation of developing countries, including action in the field of the Committee. These included the overall outlook for the performance of some important commodity consuming economies, the growing consciousness among consumers in favour of environmentally-friendly processes

and natural products, and the growing convergence of views among all UNCTAD members that the task and opportunities for tackling development, including commodity dependency, were primarily the responsibility of the developing countries themselves, while acknowledging the need for solidarity and partnership among developed and developing countries.

18. A number of observations by the secretariat were worth further consideration, in particular those relating to the role of domestic policies, particularly in the areas of producer prices, exchange rate policies, export taxes and marketing boards. Changes in such policies in the developing countries since the early 1980s, improving incentives for local producers, had had beneficial effects on agricultural exports.

19. The document on the commodity situation and outlook (TD/B/C.1/309) pointed to certain opportunities for commodity-dependent developing countries. Group B regarded as worthy of elaboration the secretariat ideas on the role of research with regard to production techniques; potential opportunities for exporting developing countries with the modification of agricultural support policies, as well as the impact which may arise for food-importing developing countries; shifting of production due to tighter environmental standards; developing countries as new poles of economic growth, to which Group B would add Central and Eastern Europe; and the use of research and development to promote the positive properties of commodities so as to enhance benefits for commodity exporters and consumers. Growth performance, the degree of diversification, and commodity dependency in the developing world were increasingly disparate. Discussion of the instability of commodity export earnings, price levels and variations in output should be carried out in a more disaggregated manner - at the very least down to the level of a region, and preferably to that of individual countries. This was necessary if solutions for the most affected developing countries were to be found. The Fraser Report indicated, for example, that Africa needed particular attention in that respect.

20. Regarding the Committee's work programme, Group B welcomed the now standard practice for main UNCTAD committees to review their work programmes as a step towards providing greater transparency and efficiency. In its view, the helpful exercise undertaken two years earlier, resulting in the adoption of orientations for a work programme (agreed conclusion 25 (XIII)), should be repeated.

21. International commodity agreements, with or without economic provisions, study groups and other intergovernmental producer-consumer forums, represented important instruments of international commodity co-operation, but they were not the only ones. Adequate and effective tackling of commodity problems such as sharp price fluctuations, shortfalls in commodity export earnings, high dependency on the export of only one or two commodities and the imbalance between supply and demand, needed, in addition to national efforts on the part of the countries concerned, a multi-faceted international approach. Other such instruments included sound and viable vertical as well as horizontal diversification programmes. A third approach focused on a variety of existing compensatory financing systems. In addition to the EEC's STABEX and SYSMIN facilities and the Swiss programme, the IMF Compensatory and Contingency Financial Facility should play an increasing role, contributing to reduce the

vulnerability of commodity-dependent developing countries. It was Group B's hope that in the future more developing countries could benefit from that facility than had done so to date.

22. The solutions to the serious commodity problems, especially of low-income highly commodity-dependent least developed countries, could not be found only within the commodity field itself. Mention should be made in that connection of the importance of the trade negotiations in the Uruguay Round, especially the question of market access, including between developing countries, as well as infrastructure development, technical assistance and market research. The spectrum of instruments to tackle commodity problems within the commodity field itself was obviously limited, especially noting the less than satisfying developments since December 1988 in the area of agreements with economic provisions. After the suspension of the export quota system of the International Coffee Agreement and the economic provisions of the International Cocoa Agreement, the International Natural Rubber Agreement was the only such agreement with operating economic provisions left. Group B was deeply concerned about the countries which had been adversely affected by these developments. Group B countries, which were members of those agreements, had long been committed to them on condition that they were economically sound and followed market trends. The International Coffee Agreement had been extended to provide time for reflection over the possibilities for renegotiation. That opportunity had also been given to the Cocoa Agreement. Group B members remained open for discussions about the question of moving towards renegotiation of economically improved agreements.

23. The functioning of the International Natural Rubber Agreement underlined the fact that agreements with economic clauses, if equipped with sound market-oriented economic mechanisms and enjoying the participation of all important producers and consumers, could operate satisfactorily. Each commodity had its own set of particular characteristics, and success in international co-operation therefore depended on tailoring forms of producer-consumer co-operation to the specific characteristics of the products in question. There had been a number of constructive developments in the setting up of producer/consumer forums designed to promote commodity market transparency.

24. Group B welcomed the greater transparency given to UNCTAD activities in the secretariat's documentation on its activities involving co-operation with other international organizations. There were a number of areas which should be given priority in the future work programme: (a) international co-operation on diversification, processing, marketing and distribution, including transportation. In the light of the welcome conclusions of the DPMD Working Party which had finished its work the previous week, that task should involve practical solutions for the use of the countries concerned; (b) consideration of health and environmental questions in relation to commodity production and trade. After the welcome integration of the concept of sustainable development into UNCTAD's work, the secretariat could assist the Committee by investigating areas such as assessing the environmental impact of the use of synthetics in comparison to natural products or the promotion of natural raw material-based products of interest to developing countries. In that regard due attention should be given to the potential effects on trade, and to ensuring that both trade and environmental concerns were met, as, for example, through the "polluter pays" principle;

(c) continuation of the comprehensive review of the commodity situation and outlook, as agreed by the Committee at its thirteenth session. Elements appearing in agreed conclusion 25 (XIII) which had not yet been investigated should be looked into, with particular emphasis accorded to the place of developing countries and Eastern Europe as commodity consumers; (d) the process of consultations between producers and consumers on individual commodities not covered by international arrangements, but only where progress in such consultations to date had concretely demonstrated their appropriateness and feasibility; (e) consideration of ways and means to enhance and improve the operations and functioning of existing commodity agreements/arrangements; and (f) the development of more widespread and rational use of financial instruments in commodity markets, including hedging and commodity swaps, to assist developing countries in reducing price and other commodity-related risks.

25. The representative of China stated that since the beginning of the 1980s individual commodities as a whole, though different in category and diversified in their own situations, had undergone a downward trend in terms of prices. Although the prices of certain commodities, such as some metal and mineral products, had picked up in the latter half of 1987, the developing countries had not gained the expected increase in export earnings from those rebounds, due to the fact that many transactions were undertaken at a level other than actual market prices. As from 1989, commodity prices as a whole had again slipped back and the developing countries had suffered tremendous economic losses because their export earnings had fallen far below the increase in their export volume. By contrast, some industrialized countries had reaped enormous benefits from their exports of the same category of commodities. Looking into the 1990s, there was slight hope for an improvement of the commodity situation for developing countries.

26. The bleak situation for commodities was a result of the impact of periodical and structural factors affecting demand and the fluctuation of exchange rates and prices. In addition, some policy measures adopted by developed countries, such as tariff and non-tariff barriers as well as the production and export subsidies provided on their own primary and processed products, had constituted more formidable obstacles to developing countries in market access and increase of their export earnings.

27. That did not mean, however, that nothing could be done in the field of commodities. Conference resolution 93 (IV), which had been reconfirmed by UNCTAD VII, remained valid and had already achieved some positive results. However, for a number of complex reasons the measures provided for in that resolution, including the negotiation of international commodity agreements or arrangements, the improvement of market information and transparency, the improvement of market access, the improvement of the infrastructure for diversification, marketing and distribution, including transportation, the amelioration of compensatory facilities for export earnings shortfalls and the strengthening of research and development, all of which would remain valid for a considerable period of time to come, had not been implemented thoroughly and vigorously. The international community should, for example, study and analyse the reasons for the success of certain international commodity agreements and for the failure of others, there being no justification for an over-simplified and arbitrary negative attitude towards all such agreements.

28. China hoped that positive results could be obtained in the negotiations on tropical products, natural-resource-based products and agricultural products within the Uruguay Round so as to provide favourable market access conditions for the commodities of the developing countries. China welcomed efforts to effectively solve individual commodity problems through international co-operation in the light of the specific situation of the commodities in question and the needs of different countries. Yet a number of problems were common to many commodities. The single or combined adoption of the measures in the Integrated Programme for Commodities, including the Common Fund, was a key but not the only key to some of those problems. China hoped that international co-operation, and North-South co-operation in particular, would be further strengthened so as to find new and comprehensive solutions to the common problems of commodities which were closely related to problems in trade, development resources and other areas.

29. The representative of Italy, speaking on behalf of the European Economic Community and its member States, stated that the review of the commodity situation and outlook 1990 (TD/B/C.1/309) made a useful contribution to the ongoing dialogue in several forums on the problems affecting many commodity-dependent developing countries, but contained a number of assertions on the policies of industrialized countries which in the EEC's view were questionable. It nevertheless provided a useful point of departure for a detailed exchange of views and the suggested list of issues requiring attention in developing countries' policy considerations appeared to be correctly chosen. Referring to the Review of the Work Programme (document TD/B/C.1/311), he expressed the view that, as had been done at the thirteenth session of the Committee, the orientations for UNCTAD's work in the commodity field should be adopted as part of the agreed conclusions of the current session.

30. Exports of primary commodities continued to be a vital element in the economies of many developing countries and had a decisive influence on foreign exchange earnings and investment potential. There was structural imbalance between supply and demand for several important commodities, which was unlikely to be radically altered in the foreseeable future. Therefore the diversification of commodity-dependent economies, whether horizontal or vertical, was therefore, a macro-economic objective which required serious consideration although it was a difficult option. In this connection, he expressed satisfaction at the outcome of the Working Party on Diversification, Processing, Marketing and Distribution, including Transportation. He recalled that, as part of its regional trade promotion activities under the Lomé IV Convention, the Community was financing a number of technical studies in individual commodities in which the potential for processing, marketing, distribution and transport was being assessed.

31. With regard to the Common Fund for Commodities and international commodity agreements, the Community looked forward to the start of Second Account operations and hoped that the Fund would gradually prove itself to be an effective organization. Recent experience with commodity agreements with economic provisions had been uneven, but the Community would continue to work with other members of the Coffee Agreeement for a fresh start in negotiations for a new Agreement and was of the view that the extension of the Cocoa Agreement should also provide an opportunity for mature and objective

reflection on the question of moving towards the negotiation of a new agreement for cocoa, provided that the current financial problems could be rectified.

32. The Natural Rubber Agreement, on the other hand, with its trigger-price mechanism, the unique character of its producer membership and the special conditions of the market, illustrated the particular circumstances in which an international commodity agreement could bring a measure of stability to individual commodity markets while remaining consistent with long-term market trends. The International Tropical Timber Agreement, while different in character, provided a forum designed to promote a correct balance between conservation and exploitation of tropical forests, and the Community and its member States had been very active in shaping the work of the ITO. The conclusions drawn by the Dublin and Houston summits had underlined the need to mobilize resources in the field of environment in general and of tropical forests in particular, and the Community was committed to giving practical support to these endeavours. Referring to the international study groups for a number of minerals, he noted that the Nickel Study Group had recently been established in The Hague and that the agreed statutes for groups on copper and tin had been negotiated. The Community supported the dialogue on selected products between producers and consumers as a means of promoting transparency in market operations.

33. He reviewed developments in the Community's compensatory financing schemes and expressed its support for the Compensatory and Contingency Financial Facility of the IMF (IMF-CCFF). In that connection, he recalled that the recent United Nations Conference on Least Developed Countries had pointed to the need for a review of the IMF-CCFF in order to identify the means whereby the funds available under that instrument could be drawn upon most frequently. Other new initiatives in stabilizing the export earnings of commodity-producing countries included the setting up by the World Bank of a unit to advise producer countries on measures to minimize the risk of significant variations in commodity prices, and UNCTAD's Train-for-trade would advise developing countries on the techniques of intervening in commodities futures markets.

34. In conclusion, he expressed the Community's hope that the increasing potential of developing countries as substantial consumers of commodities should be further explored and that the relevant conclusions drawn in the report of the South Commission, "The Challenge to the South", should be followed up.

35. At the 209th meeting, on 12 November 1990, the Managing Director of the Common Fund for Commodities, reporting to the Committee on developments since the inaugural meeting of the Fund in July 1989, stated that the primary task had been to adopt the necessary regulatory mechanisms provided for in the Agreement establishing the Common Fund for Commodities. It had proved possible during that period to adopt the Staff Regulations and Rules, the Financial Regulations and Rules, and the Regulations and Rules for the Conduct of the Business of the Fund, for Second Account Operations, for the Procurement of Goods and Services, and for the Consultative Committee.

36. Highest priority had been given to making the Second Account operational as soon as possible and the Executive Board, at its recent meeting in

October 1990, had designated nine International Commodity Bodies (ICBs) for the purposes of the Second Account and had drawn up a set of provisional guidelines and criteria for the determination of priorities among projects. It was envisaged that the Consultative Committee would hold its first meeting early in 1991. The Fund was thus ready to receive project proposals from the designated ICBs and it was envisaged that the first projects could be approved during the second half of 1991.

37. The importance of those developments should not be underestimated. For the first time ever, a system was in place to assist producers and consumers who, within the framework of the Common Fund and ICBs, joined together in their efforts to improve structural conditions in commodity markets and to enhance the long-term competitiveness and prospects of particular commodities. He hoped that that would act as both an inspiration and a challenge: an inspiration for producers and consumers to intensify their co-operation and a challenge with respect to developing the most appropriate ways and means of addressing the problems of particular commodities.

38. With regard to the resources of the Fund, he pointed out that the capital subscriptions stipulated in the Agreement and the pledges of voluntary contributions had decreased in value in real terms and that the capital of the Fund was small compared to that of other international financial institutions. While the Fund clearly needed as much backing from the international community as possible, including financial backing, he nevertheless believed that the approach embodied in the Agreement remained a valid one and that, at the very least, the Fund could play a catalytic role for other sources of finance to join in a common effort to tackle commodity problems.

39. The Fund had been designed with the problems of developing producing countries in mind, especially those of the least developed countries and small producers-exporters. That concept was fully preserved in the present set-up of the Fund and it was now necessary to explore what impact the commodity focus could have on global development problems. The Fund stood ready to engage in that task in full co-operation with other international organizations and agencies as well as with its members. It was his hope that in the foreseeable future the Fund would measure up to the expectations of its founding fathers by becoming an important agent in the development of the commodity sector, in particular in developing countries.

40. The representative of the USSR said that the inclusion of the issue of commodities in the agenda for UNCTAD VIII testified to the fact that the present commodity situation was far from encouraging. It also focused attention on the role UNCTAD should play in establishing and strengthening multilateral co-operation in world commodity trade. His delegation was generally in agreement with the estimates and evaluations made by the UNCTAD secretariat regarding the present complex world commodity situation, which was hampering the processes of restructuring under way in developing countries and was increasing their balance-of-payment deficits and indebtedness. International efforts undertaken in the field of commodities did not fully provide for the attainment of the objectives of the Final Act of UNCTAD VII. The Common Fund for Commodities was not yet fully operational and within

existing ICAs producers and consumers were often unable to co-ordinate their interests, with the result that those ICAs in some cases became passive witnesses of world market developments.

41. With reference to the processes under way in the USSR, he expressed the hope that they would have a positive effect on imports of commodities from developing countries, given adequate flexibility on their part. In that context the practical support given by UNCTAD to developing countries might be of relevance. His delegation welcomed the analysis of the present processes under way in the USSR and would appreciate it if that analysis would be followed by specific proposals and assistance, particularly from international organizations. He emphasized that in the field of commodities each of the countries of Eastern Europe had its own specific characteristics, and that in particular the USSR differed from other countries of Eastern Europe in the structure of the economy, the availability of resources and the momentum of change in the domestic and foreign economic sectors.

42. Referring to the role of UNCTAD in international commodity issues, he pointed to the utmost importance of UNCTAD VIII and to the need to be future-oriented and forward-looking, and expressed the hope that the current session of the Committee would identify the orientations which UNCTAD VIII should give to the strengthening of multilateral co-operation in the commodity field. Such co-operation would hardly be possible without close co-ordination between all the international organizations working in the field of commodities as well as between the representatives of countries and secretariats of those organizations. UNCTAD could perhaps give some thought to elaborating a uniform concept for co-ordinating the activities of all international organizations working in the field of commodities. It was also essential to take into account the outcome of the Uruguay Round. In that connection, it might be appropriate for the secretariat to prepare for UNCTAD VIII a special feasibility study regarding the future orientations of UNCTAD's work in commodities, taking also into account the relevance of the IPC.

43. It was the understanding of his delegation that UNCTAD should continue to monitor existing compensatory financing schemes. As to the DPMD issues, he emphasized that developments such as the new stage reached in the technological revolution and recent structural changes in economies should be taken into account in the analysis of DPMD issues. The Working Party on DPMD had done a great deal of very useful work and at its last session the USSR had made specific proposals for further work in that field. In conclusion, he listed a number of additional issues for further studies to be prepared by the UNCTAD secretariat in the field of DPMD.

44. The representative of Japan said that depressed international commodity markets had severely affected the economic performance of commodity-dependent developing countries. Some developing countries had, however, cast off monoculture, and had successfully diversified their economic structures and increased the processing levels of their products, thus demonstrating the necessity and the importance of self-help efforts. To facilitate the process of diversification Japan had been providing grant aid, technical co-operation and development studies to support wide-ranging projects in the areas of agriculture, fisheries and mining, and was firmly determined to continue those forms of bilateral co-operation. In the absence of significantly faster

economic growth, further intensified trade and other economic co-operation among developing countries also had growing importance in coping with over-supply. On the multilateral side, full use of existing compensatory facilities for export earnings shortfalls was called for to complement the limited resource base of developing countries. Likewise, the Common Fund, especially its Second Account, could play a significant role. As one of the biggest contributors to the Fund, Japan was looking forward to the earliest possible start to the Second Account operations.

45. Referring to the Japanese proposal for a "Round Table" for improved processing of commodities made at UNCTAD VII, he expressed his Government's hope that the "Round Table" would be set up at the earliest possible time. Japan had great interest in the recommendations contained in the Fraser report because they were relevant not only to Africa's commodity problems but also to global commodity issues. In conclusion, he pointed out that the current session of the Committee was of unique importance as the last before the eighth session of the Conference. Its outcome would undoubtedly give a decisive orientation to the work of UNCTAD in the area of commodities.

46. The representative of Chile emphasized the urgent need to break the circle of concentration of wealth in a few countries while millions of human beings were neglected. UNCTAD had a crucial role to play in achieving that objective, but its role had been seriously threatened and undermined in recent years. He recalled that during the 1960s and 1970s UNCTAD had become a symbol of freedom not only from fear but also from hunger. Through its Integrated Programme for Commodities and the promotion of the new international economic order, it had acted as a catalyst for closing the gap between rich and poor countries. Since 1976, however, that "dream" had faded to the point that the goals of attaining world peace, justice and equitable wealth distribution were not even mentioned any more. Other concepts, such as the primacy of free market forces, had become central subjects of discussion in international forums. While he was not against profits as an engine for growth and development, in his view free market forces did not always lead to fair results and somebody had to correct them. He called upon the Group of 77, but especially on the developed countries, which were at the winning end of the present system, not to let UNCTAD deteriorate and become a dying light, but to protect, strengthen and emphasize its role in the United Nations system. Poor countries were selling primary commodities to rich countries at prices that were half what they had been during the last 20 years. Not all the responsibility for the present disaster in developing countries was attributable to outside factors, however. For a new international economic order to be effective, parallel new national economic orders had to be created.

47. The representative of Ecuador expressed her country's concern at the sharp drop in primary commodity prices which, in view of the fact that 80 per cent of the export earnings of about 40 developing countries originated in primary commodity trade, had a serious adverse effect on the economies of developing countries and contributed to their impoverishment. She noted that progress so far in the Uruguay Round had been minimal and did not correspond to the expectations of developing countries. She wished to denounce to the international community the particular problems encountered by banana exports in most developed country markets and strongly urged the European Community, in line with GATT provisions and with the concept of free trade which it advocated, to abstain from adopting decisions which would upset the present

balance of banana trade within the Community. She appealed to all countries to join forces in fostering greater international co-operation in order to reverse the negative situation that prevailed in commodity markets. Welcoming the establishment of the Common Fund for Commodities, the goal which had taken more than a decade to be realized, she expressed the hope that it would live up to the expectations that had been placed in it.

48. The developing countries placed their hopes in achieving positive results in the Uruguay Round, particularly for those countries highly dependent on primary commodities. The Committee on Commodities, the Trade and Development Board and UNCTAD VIII were the appropriate forums for attaining justice and international solidarity taking particular account of the interests of developing countries.

49. The representative of Panama said that, given the existence of persistent over-supplies, falling prices and the scale of protectionism in developed countries, it had not been possible to improve the situation of chronic disequilibria in world commodity trade. On the other hand, malnutrition, poverty and hunger still persisted.

50. For his country, production and export of bananas were of vital importance and any restrictions on its exports would have adverse economic and socio-political repercussions in view of the fact that dependence on commodity exports had increased in recent years. Because of that, the removal of tariff barriers, of selective internal taxes on commodity trade and non-discrimination had become essential for reactivating the economy.

51. Panama was concerned about the possible impact of the creation of the Single European Market on trade in bananas, which was of great importance for many developing countries as an important source of export earnings. Trade of this typically tropical fruit should not be neglected, especially in the light of the priority status given to tropical products in the Punta del Este Declaration.

52. He expressed the view that careful consideration would need to be given to the results of the technical consultations on banana projects being held during the current month in FAO, as well as the possibilities of resuming consultations between producers and consumers, with a view to convening a second preparatory meeting on bananas in UNCTAD.

53. In conclusion, he stressed the crucial need for concrete and timely international decisions and actions with regard to commodity markets and expressed the hope that resolutions to emerge from the present session of the Committee would send a clear message in this direction to the final phase of the multilateral trade negotiations in GATT.

54. The representative of Sudan emphasized the importance of commodity exports to developing countries, particularly to the least developed countries. Referring to the problems facing developing producing countries, he pointed out that, in addition to unfavourable market forces such as falling prices and sluggish demand for raw materials, exporting producing countries had been beset by climatic extremes such as droughts and other natural disasters. Those problems constituted a stumbling block that prevented the commodity sector from providing the impetus for economic development. He

expressed the hope that commodity problems would be appropriately addressed in an objective fashion before UNCTAD VIII, and called for special attention to be given to the conditions existing in least developed countries. With regard to compensatory financing, he hoped that appropriate and effective policies might be identified in the near future, and that the necessary resources might be found and market access facilitated to help relieve the burden of the least developed countries. He concluded by emphasizing the importance of co-operation between producers and consumers of commodities.

55. The representative of Switzerland stated that the sizeable fluctuations of prices during the 1980s had provided sufficient evidence that the commodity sector world wide had arrived at a turning point. His country noted with concern the economic difficulties many commodity-producing countries had to face in terms of the decline in investment in the primary sector, the decay of plant and equipment, the disastrous environmental effects of the over-exploitation of resources, the slow pace of increased processing, the shortage of funds for diversification and the slow pace of adjusting to stagnating or declining demand. Accordingly, the objective of the deliberations of the Committee and UNCTAD VIII was twofold: on the one hand to devise means of reinforcing international co-operation; on the other to define a coherent strategy. In this regard he stressed that discussions should be based on two points of departure. Firstly, the prime responsibility for adjustment in the political and technical spheres rested with the producing countries themselves. Secondly, as reiterated by the Fraser report, a good deal of liberalization of the indigenous economy and foreign trade was needed by the commodities economy.

56. In the area of international co-operation, his country considered that effective measures to liberalize trade within the framework of GATT constituted the best strategy to cope with the problems of commodity trade. Switzerland had long been committed to various international commodity agreements and, while it shared the view of Group B that those agreements should be equipped with sound market-oriented economic mechanisms and should attract the participation of most important exporting and importing countries, it was ready to participate in negotiation and renegotiation of some international commodity agreements. In the same vein, it welcomed initiatives launched with a view to enhancing market transparency such as the formation of intergovernmental study groups. The Swiss Government was willing to contribute constructively to discussions on fostering the transfer of technology as well as funds to support the different forms of structural adjustment programmes implemented by developing countries commodity producers. In this regard he welcomed the entry into operation of the Second Account of the Common Fund and said that his Government would soon transfe the first part of its voluntary contribution.

57. Turning to measures taken by the Swiss Government autonomously, he said that Switzerland attached particular importance to harnessing the expertise of various international organizations and was thus one of the most important donors to bodies such as UNCTAD, UNIDO, ITTO, IJO, ITC and IIC. With regard to the compensation of export earning shortfalls, he stated that the sum of SF 40 million, earmarked for that purpose by his Government and announced during UNCTAD VII, had made it possible to meet all shortfalls of least developed countries in commodity exports to Switzerland in the period 1986-1989. He added that the Swiss Parliament had decided in September to

considerably augment resources for that programme. In conclusion, he drew attention to the special tariff preferences accorded to processed agricultural products imported by Switzerland from the LDCs and said that the degree of openness characterizing the Swiss market for manufactures favoured exports from developing countries having a wider economic infrastructure.

58. The representative of the United States of America, referring to the rather pessimistic assessment of the commodity situation put forward by some speakers, drew attention to the increases in export earnings of developing countries from commodities in recent years and to the likelihood that economic growth in developing countries was likely to continue to be more buoyant than in the industrialized countries. During the 1980s, economic performance had differed dramatically among developing countries and it was for that reason that, in addressing developing countries' dependency on commodities, emphasis should be placed on domestic action.

59. With regard to the evolution of patterns of commodity trade, he pointed out that traditional North-South flows were clearly broadening to encompass expanding South-South trade and growth opportunities in Eastern Europe. The track record of international commodity agreements with economic provisions demonstrated that they were difficult to negotiate and implement. In general, these agreements had proved to be an unfeasible means of reducing commodity price instability, and even the International Coffee Agreement had failed. Members of that Agreement had expressed a strong desire for a new agreement that would avoid past problems, but political will alone was not able to overcome market forces.

60. In the view of the United States, efforts to promote expansion of the facilities or resources of international financial institutions should not be pursued in UNCTAD. There were, however, a number of areas, as identified by the Working Party on DPMD, in which action could improve the commodity situation. There was a need for further research and analysis on diversification, including government policies, for greater use of producer-consumer forums and market transparency, including the development of UNCTAD's computerized information and analysis system, and for identification of the needs and gaps in technical assistance. Now that the Working Party had concluded its work, the Committee should give clear guidance for further work in that area, including indicating areas in which lessons could be drawn by sharing actual country experiences. Future work of the Committee should focus on viable projects and relevant issues and old debates reflecting obvious and long-standing divisions, should not be reopened.

61. The Vice-Chairman-cum-Rapporteur of the Working Party on Diversification, Processing, Marketing and Distribution, including Transportation presented to the Committee the reports of the Working Party on its second and third sessions, together with its agreed conclusions (TD/B/C.1/L.94). Noting that the Working Party had examined the five areas mandated to it by the Committee, she said that the Working Party had basically begun, in respect of each of the five areas, to diagnose the problems and then to suggest actions which should be taken towards solving them. It had also recognized that the work on diversification, processing, marketing and distribution needed to be continued and was a very important element of the work of the Committee, and that the research, analysis and actions it had suggested would need to be reviewed and

discussed by the Committee. The Working Party had felt, however, that it was for the Committee to decide whether the work of the Working Party was completed and on the manner in which future work should be organized.

62. The Executive Director of the International Trade Centre UNCTAD/GATT, outlining the Centre's commodities-related activities in diversification, processing, marketing and distribution, described the programme components relating to market research and development, processing, the identification of substitutes and the upgrading of skills through in-service training of personnel from developing countries with major commodity traders and processors through international commodity-specific training events. He drew the Committee's attention to the increasing demand for technical assistance as a result of liberalization policies in producing countries, and to the corresponding increase in ITC activities in technical and market information dissemination through commodity-specific handbooks and computerized market intelligence systems, as well as the ITC Market News Service. He also referred to ITC's activities in cross-commodity areas such as the operation of commodity exchanges and export financing.

63. Noting the increasing importance of Eastern European countries and of developing countries as markets for commodity exports of other developing countries, he said that ITC's activities were being increasingly directed towards strengthening co-operation between commodity exporting and importing developing countries, and towards the expansion of exports to Eastern Europe. He estimated ITC's budgetary requirements for its work in commodities for the next four years at $US 30 million. He reiterated the Centre's intention to pursue the identification and preparation of projects and programmes on developmental measures, and its readiness to put its technical expertise in trade promotion at the disposal of international commodity bodies and the Common Fund.

64. The representative of FAO pointed to the cost-effectiveness and flexibility of FAO's network of intergovernmental commodity bodies in adapting to new challenges, including that offered by the Common Fund. He updated the information provided in document TD/B/C.1/311 regarding the activities of the FAO Intergovernmental Groups on Bananas; Hard Fibres; Oilseeds, Fats and Oils; Meat; and Tea, and stressed that their relationship with the Common Fund, and particularly its Second Account, had been a central theme at the recent session of these groups and of virtually all other FAO commodity bodies. FAO's governing bodies had consistently encouraged the use of the Organization's commodity bodies, together with its wide-ranging technical expertise, in operations under the Second Account, through the developing of co-operative arrangements between those bodies and the Common Fund. Seven of the intergovernmental groups, one subgroup and the Sub-Committee on Fish Trade had unanimously agreed to encourage the Director-General of FAO to approach the Common Fund requesting it to designate them as ICBs. The Director-General of FAO had transmitted those requests to the Common Fund and it was expected that the Fund's Executive Board would deal with them at its next meeting in February 1991 and would assign ICB status to those bodies. In anticipation of their designation as ICBs most FAO Intergovernmental Groups had already completed or were initiating the formulation of project proposals for sponsoring by the Common Fund. In accordance with the Fund's Regulations and Rules for Second Account Operations, environmental aspects would be covered in the project proposals. That was particularly relevant to intergovernmental

groups dealing with agricultural raw materials, notably those on hard fibres and jute, which were at an advanced stage of comparative analysis of the respective environmental damage caused by natural fibres versus their competing synthetic substitutes and the impact on trade and sustainable development of the natural fibre economies, in line with an FAO conference resolution which, in late 1989, had assigned highest priority to the issue of environment and sustainable agricultural development in FAO's programme of work. He further drew the attention of the Committee to the technical support provided to the GATT secretariat and to interested developing countries in formulating policy positions in the context of the Uruguay Round of Multilateral Trade Negotiations, and in negotiations in the field of sanitary and phytosanitary regulations. FAO would continue to provide support to ECDC through workshops to promote trade on selected commodities and advice on national commodity policy formulation. Finally, a new round of production, consumption and trade projections covering most agricultural commodities of any significance was expected to be completed by 1992.

65. The representative of Australia stated that the Fraser report recommended a series of programmes and policy actions that could assist African economies in improving their development capabilities. The report noted, however, that opportunities had to be provided for expansion of African exports to major markets in order to improve their development potential, particularly in Europe.

66. Australia had a vital long-term interest, together with developing countries, in a competitive and market-responding commodity trading system. It regarded a successful outcome of the Uruguay Round as critical to the liberalization of commodity trade through improved market access, reduced internal barriers and phasing out of export subsidies. Australia's efforts in this area emphasized the underlying causes of the serious problems affecting commodity trade rather than treating the symptoms, e.g. through short-term stabilization measures which only further aggravated long-term distortions. The extent and impact of subsidization and protectionism were major factors underlying the serious problems of world commodity trade. OECD had estimated that the cost of agricultural support measures had reached $US 245,000 million in 1989 in OECD countries, which demonstrated that trade-related measures represented the key element in an effective and lasting solution to the commodity problem. In particular, the reduction of agricultural support would achieve more efficiently functioning market mechanisms and would support development efforts, including diversification and adjustment programmes. Many developing countries still derived more than 75 per cent of their export earnings from non-fuel commodities, and the income they forfeited, as a result of protectionist measures, had a direct impact on consumption and on their participation in the international trading system. Reductions in protectionism, therefore, had the potential to contribute to a significant expansion of world trade, with benefits for all countries. It would also have a substantial beneficial effect on the capacity of many debtor countries to meet their debt-service obligations.

67. He underlined the importance of a successful outcome of the Uruguay Round, since commodity trade liberalization would support the development efforts of developing countries and facilitate the continuation of

diversification and adjustment policies, whereas continuation of current trends could further undermine world trade and weaken the international financial systems.

68. The representative of Egypt noted that international trade in commodities had been characterized by a deterioration in the terms of trade and a high degree of uncertainty, coupled with variations in output which made it difficult for developing countries highly dependent on commodities to undertake long-term development planning or to implement adjustment programmes. The particularly serious situation of the least developed countries and African countries highly dependent on the commodity sector required special support from the international community, as has been highlighted in the Fraser report on the problems of the African commodity sector.

69. The protectionist measures facing developing countries' exports of commodities in their raw, processed or semi-processed forms should be effectively reduced in the ongoing negotiations in Uruguay Round, which should also address the specific concerns of the developing countries which were net importers of foodstuffs. On their part, developing countries needed to undertake research and development activities in their commodity sector. Such efforts required increased access to finance, particularly for horizontal and vertical diversification. Developing countries needed the transfer of technology on a preferential basis, particularly to make use of advances in biotechnology and genetic engineering in the commodity sector, and to have better information on commodity market structures at the international level.

70. Concerning compensatory financing for export earnings shortfalls, he reiterated the request of the Group of 77 that the need for establishing a new international financing facility should be further studied. While acknowledging the contributions of STABEX and the Swiss programme, he believed that there was room for improving the scope, coverage and conditions of all existing compensatory financing mechanisms.

71. Much work remained to be done to achieve a better functioning of international commodity markets and more stable and predictable conditions in commodity trade. That would require strengthening the co-operation between producers and consumers and continuation of the support provided to the Common Fund. There was also a need to study in depth the recent changes in Eastern Europe and their positive and negative potential implications for the commodity sector of developing countries.

72. The representative of Indonesia, endorsing the general thrust of the remarks by the spokesman for the Group of 77, stressed the persistence of many problems regarding commodities, particularly their continuing low and unstable prices, hampering national policy planning. He remarked that, despite their continuing relevance, very few policy proposals adopted at UNCTAD VII had been implemented. The outlook for commodity-dependent countries remained bleak, owing to both structural and cyclical factors.

73. He noted the importance of national commodity policy in making developing countries no longer dependent solely on commodities as the basis for their development. Progress in the Uruguay Round was called for in order to improve market access for developing countries' products. He welcomed the efforts

made to make the Common Fund for commodities operational, and emphasized the need to inject new vigour into international commodity co-operation, in order to preserve the spirit and objectives of the Integrated Programme for Commodities. Setting up international commodity bodies would inspire producers and consumers to intensify their co-operation in respect of particular commodities.

74. The representative of Nigeria stated that his Government, in its structural adjustment programme, had placed special emphasis on the promotion of exports in the non-oil sector, as well as on the processing and greater utilization of local raw materials. Regrettably, the effort was hampered by persistent falls in the world prices of commodities and an unfavourable international trading environment.

75. Referring to the secretariat's response to Nigeria's call for assistance in the area of diversification, processing, marketing and distribution, including transportation, he expressed the hope that adequate resources would be provided for UNCTAD for follow-up action on the various issues highlighted in the report of the Programming Mission to Nigeria and for further co-operation between the secretariat and his country.

76. His country was a firm believer in the Integrated Programme for Commodities, which emphasized international co-operation between producers and consumers in the field of commodities, and hoped that both accounts of the Common Fund would be made operational as soon as possible. In conclusion, he called on the developed countries to pay special attention to African commodity problems as outlined in the report of the United Nations Secretary-General's Expert Group on Africa's Commodity Problems.

77. The representative of China noted that the agreed conclusions adopted by the Working Party had provided guidance to the future work of UNCTAD in the area of diversification, processing, marketing and distribution. In implementing those conclusions, the international community should take into consideration the following points. Developing countries should take their own responsibilities in the area of DPMD, particularly in policy and decision making. The international community should create favourable external conditions to ensure the success of the efforts of the developing countries. Bilateral donors and international organizations should provide developing countries with adequate technical assistance in areas related to DPMD. Developed countries and international financial institutions should increase official financial flows to developing countries. The developed countries were invited to adopt measures to encourage private investments in highly commodity-dependent developing countries. In addition to the improvement of existing financial facilities, the possibility of the establishment of a new financial facility exclusively for DPMD purposes could be explored. Commitments to remove and reduce tariff and non-tariff barriers to facilitate the access to markets for commodities and processed products from developing countries should be fulfilled. In its research work, especially with regard to country experiences and the impact of government policies, the secretariat should make objective analyses in the light of the agreed conclusions, taking into special consideration the problems of highly commodity-dependent countries and least developed countries.

78. He also noted difficulties in the functioning of some international commodity agreements and the limited progress achieved in the consultations on commodities not covered by agreements. He suggested that in its future work the secretariat should emphasize the following areas: review of the commodity situation and outlook; improving the functioning of existing commodity agreements and promoting the conclusion of new agreements; increasing international co-operation in the area of DPMD; monitoring the effects of the outcome of the Uruguay Round and promoting access to markets for primary and processed products originating from developing countries; improving existing compensatory financing mechanisms and exploring the possibilities of establishing a new facility; and urging the Common Fund for Commodities to exert every effort to make both the First and the Second Accounts operational as soon as possible in order to realize all the objectives as set out in the Agreement on the Fund.

79. At the 213th (closing) meeting, on 20 November 1990, the Chairman, reporting on the informal discussions during the session, said that these had been very active and fruitful. A number of issues had been taken up which did not figure as specific agenda items. One meeting had been devoted to the Common Fund for Commodities and several delegations had stressed the importance of the Fund becoming fully operational. In the subsequent informal meetings, the Committee had carried out the first review of the issue of export earnings shortfalls and compensatory financing and had also taken up the issue of sustainable development to see how it should be integrated into the Committee's ongoing work. There had been a very extensive exchange of views on all items of the agenda.

80. He introduced a set of agreed conclusions (TD/B/L.96), the text of which recorded the points on which there had been a complete convergence of views in the Committee. These conclusions dealt with the Committee's work programme and also contained agreed views on the whole range of issues before the Committee.

## Action by the Committee

81. At the 213th (closing) meeting, on 20 November 1990, the Committee adopted the agreed conclusions submitted by the Chairman (for the text, see agreed conclusion 26 (XIV) in annex I below).

## Chapter II

## CLOSING STATEMENTS

82. The spokesman for Group B (Germany) expressed appreciation of the exceptional documentation provided to the Committee and expressed the hope that the secretariat would build upon it in preparing for UNCTAD VIII.

83. He observed that the Committee had taken the first timid steps with regard to the preparatory process of UNCTAD VIII. Participants had tried to come to grips with some of the difficult questions, which the secretariat had baptised "new commodity concerns". A new consensus had been found in the collective desire to make markets function better. In view of the particular host of particularities which characterized commodity markets, how could Governments in fact enhance their functioning and contribute to their transparency, including the role of traditional and new forms of producer-consumer co-operation? Some ideas were beginning to surface, although the Committee had not had time to debate them.

84. In the course of the stimulating and sometimes stumbling debate on the implications and opportunities presented by concern over the environment and sustainable development, the Committee had taken a first timid step towards circumscribing the problems. Behind the relatively few words the Committee had worked out on this item for future work was hidden a vast area of considerations. Ignorance was still immense and, recognizing this, humility could guide Governments forward.

85. Another theme for continuing reflection, in particular before UNCTAD VIII, would surely be: how to elaborate more market-oriented development strategies with emphasis on the particular role of domestic policies and linkages between the commodity sector and the rest of the economy. The secretariat had helped understanding of the role of key domestic policies in furthering development in commodity-dependent economies. Group B regretted that it had not been possible to focus more on these particular aspects. He suggested that the enhancing of marketing systems in all multiple facets was a channel worth exploring in this context. As illustrated by a few examples in the secretariat survey, some commodity-dependent developing countries had significantly and successfully exploited this avenue, inter alia by selling increasing amounts of their commodities to fellow developing countries as consumers.

86. In sum, these few ideas which the Committee had succeeded in culling from the excellent documentation of the secretariat, and to which it had not paid sufficient attention, could none the less nurture further reflections in preparing for UNCTAD VIII. Yet, the above considerations and those in the chapeau (paras. 1-8) of the agreed conclusions (annex I) did not represent in any way a lessening of Group B's solidarity with developing countries and its members' individual and multilateral commitments to partnership.

87. If past commodity co-operation had on occasion faltered, Governments must learn the lessons, and yet delegations appeared slow to readjust their analysis in order to adjust their course. UNCTAD VIII offered an excellent opportunity to do precisely that.

88. The spokesman for the Group of 77 (Egypt) observed that the session had become important because the Committee had, for the first time in five years, reached agreement in the area of commodities and because it had convened on the eve of UNCTAD VIII. It was obviously necessary to achieve a certain measure of consensus before the Conference. If the agreed conclusions adopted did not reflect all that the Group of 77 would have wished, neither did they reflect all that other Groups would have liked. All had made concessions and the understanding and co-operation shown augured well for the future; this spirit was more important than the direct results achieved.

89. The Committee's work had represented a spiritual, cultural, and intellectual challenge in that it had involved a search for new perspectives for work in the commodities field. He felt that new ideas had in fact been successfully advanced.

90. The Group of 77 had always believed that development was a bird with two wings which could not fly with only one. Thus, if the developing countries accepted the responsibility for their own development, the developed countries and the international community should support their efforts by creating the external environment necessary to ensure the success of these efforts. The world was entering upon a new stage of co-operation and understanding as opposed to confrontation. Greater endeavours could thus be made in world economic co-operation. The policies of the major developed countries were of greater moment than developing countries' internal policies because the former had greater impact on the world economy than the latter. His Group believed that the world economy should take account of and reflect market strengths and forces, which should be based on just prices and function properly and fairly, free from protectionism and restrictive business practices and policies. The economies of small countries should not be subject to fluctuations consequent upon decisions by major economic powers. The problems facing the developing countries were greater than they could cope with and the responsibilities of the international community should be proportionate to the economic strength of the parties involved. In this context he referred to the responsibility of all States with regard to the environment, especially in relation to commodities. The responsibility for preserving the environment in fact lay with those most responsible for damaging it.

91. The Group of 77 looked forward to participating in UNCTAD VIII in the hope that it would be not simply an occasion for the repetition of positions already expressed but a turning point for a new departure in the field of commodities.

92. The representative of China considered that the Committee had achieved a successful and fruitful outcome in the practical form of agreed conclusions, adopted after extensive consultations. He hoped that the steps outlined in the agreed conclusions would be implemented effectively so that the serious commodity situation facing the international community could be redressed.

93. The spokesman for Group D (USSR) expressed his Group's appreciation of the understanding and co-operation shown by other Groups throughout the session. The draft conclusions adopted represented a basis for the future work of the Committee and for its contribution to preparations for UNCTAD VIII.

94. The representative of Norway, speaking on behalf of the Nordic countries (Finland, Sweden and Norway), endorsed the statement of the spokesman for Group B and expressed satisfaction regarding the outcome of the session. The very fruitful informal consultations held had been conducive to this result. The Nordic countries had appreciated the opportunity to obtain more information on the newly established Common Fund for Commodities, an institution of which they had great expectations. The agreed conclusions described several of the important problems facing developing countries in particular, and commented upon some of the instruments and arrangements that existed for improving the situation.

95. The Nordic countries had always underlined the important co-ordinating role of UNCTAD in the field of commodities. The work programme defined during the session augured well for a continuation of substantive work in this area at UNCTAD VIII and at future Committee sessions. In the agreed work programme, she wished specifically to highlight the following aspects: that particular attention should be paid by the Committee in its work to the specific problems of the least developed countries in this sector; the importance of access to markets for commodities from developing countries; and the need for an assessment following the outcome of the Uruguay Round; increasing transparency in the commodity area; and the potential for expansion of commodity trade for developing countries that lay in further South-South co-operation and as a result of changes in Central and Eastern Europe.

96. The Nordic countries were encouraged by the Committee's ability to take account of the important decision from the last session of the Trade and Development Board regarding the integration of the concept of sustainable development in the Committee's ongoing work. Environmental concerns might provide new opportunities for commodity co-operation between producers and consumers and new export opportunities for developing countries. The Committee could be instrumental in terms of providing ideas as to how trade policies and environmental policies could be mutually supportive and provide a basis for the desired objective of sustainable development in all countries.

97. In his closing address, the Chairman said that the constructive and successful conclusion of the session's hard, intellectual and pragmatic work was gratifying, since the Committee dealt with an important aspect of the process of international development. It was crystal clear that commodity issues were of genuine concern both to developing countries and to the international community at large. The Committee's envisaged programme of work laid a solid foundation for practical measures to address the commodity problématique, bearing in mind the significant work already done by UNCTAD and other related organizations.

98. Its deliberations had been truly characterized by a great spirit of consensus, seriousness and keenness to produce objective and practical results, which were reflected in the agreed conclusions (annex I). DPMD and the future programme of work had rightly commanded considerable, yet appropriate, attention in the session's deliberations. These and other aspects would definitely be pursued further in future sessions in order to enhance the integrated approach for dealing with commodity problems, within the overall perspective of sustainable development.

99. A common theme in the general debate had been that the session was part of the preparatory process for UNCTAD VIII. Certainly the Committee had made a considerable contribution to that process simply by not avoiding its responsibilities and achieving good results.

## Chapter III

## ORGANIZATIONAL MATTERS

### A. Opening of the session

100. The fourteenth session of the Committee on Commodities was opened on 12 November 1990 by Mr. Stéphane Gompertz (France), Chairman of the Committee at its thirteenth session.

### B. Election of officers
(Agenda item 1)

101. At the 208th meeting, on 12 November 1990, the Committee elected the following Bureau:

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|---|---|
| Chairman: | Mr. Ahmed Abdel-Wahab GUBARTALLA (Sudan) |
| Vice-Chairmen: | Mr. Jean-Luc CHOUINARD (Canada)<br>Mr. H.S. DILLON (Indonesia)<br>Mr. Emile M'LINGUI KEFFA (Côte d'Ivoire)<br>Mr. Henri NOLARD (Belgium)<br>Mr. Radomiro TOMIC (Chile) |
| Rapporteur: | Mr. Vladimir PANKOV (USSR) |

### C. Adoption of the agenda and organization of work
(Agenda item 2)

102. At the 209th meeting, on 12 November 1990, the Committee adopted the provisional agenda approved by the Committee at its thirteenth session as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the commodity situation and outlook
4. Diversification, processing, marketing and distribution, including transportation
5. Review of the work programme of the Committee, with particular reference to the results of intergovernmental consultations held pursuant to the relevant paragraphs of the Final Act of UNCTAD VII
6. Provisional agenda for the fifteenth session of the Committee
7. Other business
8. Adoption of the report of the Committee to the Trade and Development Board

103. In the context of the organization of work, it was agreed that, after an opportunity had been given to groups and individual delegations to make statements in the plenary on all items of the agenda, further discussions on item 3, 4 and 5 would be conducted in informal plenary meetings. It was also agreed that in the course of the session there would be an informal meeting on the Common Fund at which delegations would have an opportunity to put questions to the Managing Director on developments in the Fund. Also in the course of the session the secretariat would hold informal consultations with interested countries on the terms of reference for the copper and tin study groups, as well as the future of the interim arrangement for maintaining the collection and dissemination of statistical information on the international tin economy.

104. In the above connection, the Chairman, indicated that it had been agreed by the Bureau and Group spokesmen that, in the light of Board decision 379 (S-XXVI), in which the Board decided that "the first review on the compensatory financing of export earnings shortfalls by the Committee on Commodities should take place prior to the eighth session of the Conference," the Committee would carry out that review in the context of agenda item 3.

105. The spokesman for the Group of 77 (Egypt) said that his Group would have preferred the question of compensatory financing to figure as a specific item in the agenda. However, in a spirit of compromise to expedite the Committee's work and avoid controversy the Group had accepted the inclusion of the issue under item 3. Nevertheless, the Group of 77 hoped that compensatory financing would appear as a separate item in the agenda for the fifteenth session.

## D. Membership and attendance

106. The following States members of UNCTAD, members of the Committee, were represented at the session: Algeria; Argentina; Australia; Austria; Bangladesh; Belgium; Bolivia; Brazil; Bulgaria; Cameroon; Canada; Chile; China; Côte d'Ivoire; Cuba; Czechoslovakia; Democratic People's Republic of Korea; Denmark; Dominican Republic; Ecuador; Egypt; El Salvador; Finland; France; Germany; Ghana; Greece; Guinea; Hungary; India; Indonesia; Iran (Islamic Republic of); Iraq; Ireland; Italy; Japan; Jordan; Kenya; Kuwait; Libyan Arab Jamahiriya; Madagascar; Malaysia; Mexico; Morocco; Myanmar; Netherlands; Nigeria; Norway; Panama; Peru; Philippines; Poland; Portugal; Qatar; Republic of Korea; Sao Tome and Principe; Senegal; Somalia; Spain; Sri Lanka; Sudan; Sweden; Switzerland; Thailand; Tunisia; Turkey; United Arab Emirates; Union of Soviet Socialist Republics; United Kingdom of Great Britain and Northern Ireland; United Republic of Tanzania; United States of America; Venezuela; Viet Nam; Zaire; Zimbabwe.

107. The following other State member of UNCTAD, not member of the Committee, was represented at the session: Lebanon.

108. The United Nations Development Programme was represented at the session. The International Trade Centre UNCTAD/GATT was also represented.

109. The following specialized and related agencies were represented at the session: International Labour Organisation; Food and Agriculture Organization of the United Nations; International Monetary Fund. The General Agreement on Tariffs and Trade was also represented.

110. The following intergovernmental organizations were represented at the session: Common Fund for Commodities; 1/ European Economic Community; Organisation for Economic Co-operation and Development; Organization of African Unity; Commonwealth Secretariat.

111. The following non-governmental organizations were represented at the session: General Category: Women's International League for Peace and Freedom; World Federation of United Nations Associations.

## E. Provisional agenda for the fifteenth session of the Committee (Agenda item 6)

112. At the 213th meeting, on 20 November 1990, the Committee approved the provisional agenda for the fifteenth session (TD/B/C.1/L.97) submitted by the Chairman as a result of informal consultations (for the text, see annex II below).

## F. Other business (Agenda item 7)

Reports of subsidiary bodies

113. Also at the 213th meeting, the Committee took note of the reports of the following bodies:

| Body | Session | Report |
|---|---|---|
| Intergovernmental Group of Experts on Ire Ore | Third | TD/B/1235 - TD/B/C.1/306 |
| Intergovernmental Group of Experts on Ire Ore | Fourth | TD/B/C.1/313 - TD/B/C.1/IRON ORE/5 and Corr.1 |
| Committee on Tungsten | Twenty-first | TD/B/C.1/307 - TD/B/C.1/TUNGSTEN/82 |

Report on credentials

114. At the same meeting, the Committee adopted the report of the Bureau on the credentials of representatives (TD/B/C.1/315).

## G. Adoption of the report of the Committee to the Trade and Development Board (Agenda item 8)

115. At the closing meeting, on 20 November 1990, the Committee adopted its draft report (TD/B/C.1/L.95 and Add.1-2) and authorized the Rapporteur to complete the final version as appropriate.

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1/ Specially invited by the secretariat.

Annex I

AGREED CONCLUSION ADOPTED BY THE COMMITTEE ON COMMODITIES AT ITS FOURTEENTH SESSION

26(XIV). Agreed conclusions a/

1. The Committee noted that developments in world commodity trade embraced changes in structures and patterns as well as depressed price levels for many commodities of importance to developing countries. Commodity prices continue to fluctuate and shortfalls continue to be experienced by many developing countries in export earnings from commodities. Long-term trends in many commodity prices have tended to decline.

2. The Committee noted that the changes in Central and Eastern Europe may have important effects for commodity production and trade. It agreed that those developments, as well as the potential for expanding South-South trade in commodities, should be fully explored. The Committee called for a better understanding of the impact of the debt problem of developing countries on supply and demand of commodities. The link between economic growth and commodity demand could also be further explored.

3. The Committee agreed that international commodity agreements and arrangements can have an important role to play in resolving commodity problems, where they involve the participation of all major producers and consumers and where they aim at improved transparency and better functioning of commodity markets.

4. In seeking lasting solutions to problems in the commodities areas, the Committee recognized the need to take into account the varying performances between countries and regions and among commodities.

5. In light of the commodity situation and outlook, the Committee suggested that the following could be explored during the preparatory process for and at UNCTAD VIII:

(a) Structural disequilibria in commodity markets and actions to bring about a better supply and demand balance, giving attention to efforts to improve demand;

(b) Access to markets following the outcome of the Uruguay Round;

(c) Relationship between sustainable development and all relevant aspects in the area of commodities;

(d) Diversification in the context of the contribution of the commodity sector to overall development, including financial aspects;

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a/ Adopted by the Committee at its 213th meeting, on 20 November 1990. See paragraphs 79-81.

(e) Both domestic and international investment flows and the creation of a competitive favourable enabling environment for development, including social and physical infrastructure;

(f) Strengthened producer/consumer co-operation where feasible and appropriate;

(g) Complementarity between domestic and international commodity policies; and

(h) Lasting solutions to deal effectively with the short-, medium- and long-term problems in the commodities area.

6. The Committee noted that according to the secretariat documents there were continuing significant shortfalls in commodity export earnings of developing countries. It agreed that all the facets of the problem of commodity export earnings shortfalls should be considered, namely their causes and instruments for dealing with them and, in the latter regard, including inter alia the possible improvement of existing instruments.

7. The Committee also agreed, in accordance with Board decision 379 (S-XVI), that the issue should form part of the ongoing work of the Committee on Commodities, and that commodity export earnings shortfalls and compensatory financing should figure as a specific issue for discussion at its next session under the review of the commodity situation and outlook.

8. The Committee agreed that the work on diversification, processing, marketing and distribution was a priority element in its future activities. It endorsed the agreed conclusions of the Working Party on Diversification, Processing, Marketing and Distribution, including Transportation, contained in document TD/B/C.1/L.94. In the above connection particular attention should be paid to identifying practical measures and actions, especially for highly-commodity-dependent and for low-income developing countries. In this regard, the Committee agreed that due attention should be paid in its work to the specific problems of the least developed countries, in the light of the relevant parts of the Programme of Action adopted by the Second United Nations Conference on the Least Developed Countries in September 1990 and bearing in mind UNCTAD report TD/B/C.1/312.

## Orientations for the work programme of the Committee

### A. Review of the commodity situation and outlook

9. The Committee shall continue to undertake a comprehensive review of the commodity situation and outlook. In this regard certain issues, notably the impact of technological advances and government policies on market access, supply and consumption of commodities, and changes in marketing and pricing systems and practices, require further attention, as well as additional issues of increasing importance to the commodity sector such as the impact of exchange rates on commodity prices and environmental considerations in terms of both their positive and negative effects. The Committee shall also continue to examine the impact of financial constraints, including debt-servicing, on the volume of commodity exports; the link between international commodity prices and relevant domestic prices; as well as the

relationship between economic growth in the main commodity-consuming countries and commodity demand. The Committee shall continue to review the problem of commodity export earnings shortfalls of developing countries arising from market instability as well as the question of compensatory financing of export earnings shortfalls, including causes, consequences and instruments such as compensatory financing; and financial instruments such as hedging, commodity swaps, etc. to assist developing countries in managing price and other commodity-related risks.

B. Individual commodities

10. In order to strengthen international co-operation between producers and consumers and improve transparency and predictability in commodity markets and commodity trade, the Committee shall consider ways and means to improve the operation and functioning of existing international commodity agreements or arrangements. The process of consultations between producers and consumers on individual commodities not covered by international arrangements shall only proceed where progress in such consultations has concretely demonstrated the appropriateness and feasibility of their continuation. The Committee shall keep under review developments in the setting up of producer/consumer forums, which can effectively promote transparency and the better functioning of commodity markets, with a view to enhancing such co-operation.

C. International co-opration on diversification, processing, marketing and distribution including transportation (DPMD)

11. The Committee agreed to pursue and intensify its work on DPMD in the light of the conclusions of the Working Party. This task should involve practical solutions, including the development within UNCTAD's mandate of a micro-computer-based commodity information and analysis system (MICAS) to assist in storing and analysing world-wide information on commodities.

12. The Committee agreed that it needed to continue to review the issues identified by the Working Party requiring further research and analysis and other action, with a view to identifying specific practical measures and actions, especially for highly commodity-dependent and for low-income developing countries. In this regard, it decided to give priority to the impact of market conditions in exporting and importing countries with regard to diversification, including government policies, structural adjustment, forms and methods of trading and technical assistance.

13. The Committee recommended to the Trade and Development Board that the question of DPMD should be a separate item on the agenda for its fifteenth session and that the session should be for nine working days. The manner in which future work should be carried out after that session would be determined at the same session by the Committee in the light of the outcome of UNCTAD VIII and its own deliberations.

D. Sustainable development and environment

14. In accordance with Board decision 384 (XXXVII), the Committee decided that the concept of sustainable development should be systematically integrated into its ongoing work. The Committee shall, as an initial step, examine the links between domestic and international market conditions and the

intensity of resource utilization, especially environmental effects. The competitiveness and demand for environmentally-friendly products vis-à-vis synthetics and substitutes shall be examined, taking into account the work previously done in UNCTAD and other relevant organizations; and the inclusion of ecological aspects in commodity forums, as well as ecological constraints to commodity trade, shall also be kept under review.

E. Expansion of commodity trade

15. Taking into account the changes in Central and Eastern Europe and their implications for commodity trade as well as the continuing growth in South-South commodity trade, the Committee decided to pay adequate attention to those aspects in its future work and especially to the opportunities for an expansion of trade for developing countries, inter alia through the use of new forms of co-operation.

16. The Committee shall assess market access for the commodity sector in the light of the results of the Uruguay Round.

F. Consultation and co-operation with international organizations

17. In performing its co-ordinating role in the area of commodities, the Committee shall continue to review its co-operation with other international organizations. The Committee shall continue to follow developments in the Common Fund for Commodities in relation to its work programme.

## Annex II

PROVISIONAL AGENDA FOR THE FIFTEENTH SESSION OF THE COMMITTEE a/

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the commodity situation and outlook
4. Diversification, processing, marketing and distribution, including transportation
5. Review of the work programme of the Committee
6. Provisional agenda for the sixteenth session of the Committee
7. Other business
8. Adoption of the report of the Committee to the Trade and Development Board.

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a/ As approved by the Committee at its 213th meeting, on 20 November 1990.

## Annex III

### CHECKLIST OF DOCUMENTS

| Symbol | Document | Agenda item |
|---|---|---|
| TD/B/C.1/L.94 | Agreed conclusions adopted by the Working Party on Diversification, Processing, Marketing, and Distribution, including Transportation, at its third session | 4 |
| TD/B/C.1/L.95 and Add.1-2 | Draft report of the Committee on Commodities on its fourteenth session | 8 |
| TD/B/C.1/L.96 | Agreed conclusions of the Committee on Commodities at its fourteenth session | 3, 4, 5 |
| TD/B/C.1/305-TD/B/C.1/AC/9 | Report of the Working Party on Diversification, Processing, Marketing and Distribution, including Transportation, on its second session | |
| TD/B/1235-TD/B/C.1/306-TD/B/IPC/IRON ORE/AC.1/16 | Report of the Intergovernmental Group of Experts on Iron Ore on its third session | |
| TD/B/C.1/307 TD/B/C.1/TUNGSTEN/82 | Report of the Committee on Tungsten on its twenty-first session | |
| TD/B/C.1/308 | Provisional agenda, annotations to the provisional agenda and suggestions for the organization of work<br>Note by the UNCTAD secretariat | 2 |
| TD/B/C.1/309 | Commodity situation and outlook 1990<br>Report by the UNCTAD secretariat | 3 |
| TD/B/C.1/310 | Suggestions for further research and analysis in the area of diversification, processing, marketing and distribution, including transportation<br>Note by the UNCTAD secretariat | 4 |
| TD/B/C.1/311 | Review of the work programme of the Committee, implementations of decisions relating thereto and proposals for future work<br>Report by the UNCTAD secretariat | 5 |

| Symbol | Document | Agenda Item |
|---|---|---|
| TD/B/C.1/312 | Diversification, processing, marketing and distribution, including transportation, with a view to identification of special needs and problems of the least developed countries Study by the UNCTAD secretariat | |
| TD/B/C.1/313-TD/B/C.1/IRON ORE/5 and Corr.1 | Report of the Intergovernmental Group of Experts on Iron Ore on its fourth session | |
| TD/B/C.1(XIV)/Misc.1 | Index of resolutions, decisions, agreed conclusions and recommendations adopted by the Commitee on Commodities Note by the UNCTAD secretariat | |
| TD/B/C.1(XIV)/Misc.2 and Add.1 | Provisional list of participants | |
| TD/B/C.1/314-TD/B/C.1/AC/13 | Report of the Working Party on Diversification, Processing, Marketing and Distribution, including Transportation on its third session | 6 |
| TD/B/C.1/315 | Report of the Bureau on credentials | |

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